

**SUMMARY OF THE PROPOSED ACTION PLAN AMENDMENT (AMENDMENT No. 4)
FOR FY 2006 CDBG DISASTER RECOVERY FUNDS**

September 1st, 2006

The Office of Community Development ("OCD") is providing \$667 million of Community Development Block Grant ("CDBG") funds, to be used in conjunction with Gulf Opportunity Zone tax credits ("GO Zone Credits") under the Low Income Housing Tax Credit ("LIHTC") program. This amendment is being made to clarify the types of properties and financing options available under the LIHTC-CDBG program (referred to as the Piggyback Program). In addition, this amendment includes a proposal amend Action Plan No. 1 regarding assistance to owners of mobile homes and to provide additional flexibility with regards to the Small Rental Property Repair program, modifying the Road Home Program. The Piggyback Program supports the following types of projects:

Workforce Housing. Both *market-rate units* and *units affordable to households with incomes below 60% of area median income* ("AMI").

Additional Affordability Units. Units affordable to households with incomes at or below 20% of area median income ("AMI"), 30% of AMI, and 40% of AMI.

Permanent Supportive Housing ("PSH"). Housing for a variety of households including extremely low income people (30% of AMI and below) with serious and long term disabilities, and/or who are homeless and/or who are most at-risk of homelessness.

To support these goals, OCD will make available the following types of financial assistance:

- **Louisiana Project Based Rental Assistance** –operating support funding will be available for units affordable to households with incomes below 40% of AMI.
- **Louisiana Mixed Income Flexible Subsidy** –financial support for Mixed Income developments.
- **Louisiana Additional Affordability Gap Financing** -- gap financing for Additional Affordability LIHTC developments, potentially including projects financed through tax exempt bonds and LIHTCs.
- **Louisiana Permanent Supportive Housing Gap Financing** -- gap financing for Permanent Supportive Housing developments.
- **Louisiana Supportive Services Grants** – funding for the cost of supportive services for occupants of PSH units.

Allocations of Piggyback Program dollars among these financing options will be determined based upon a range of factors including program demand, development costs, and anticipated operating costs for rental projects. In addition, OCD may in the future consider transferring funds from the Small Rental Program to support the achievement of Piggyback Program goals, if necessary.

Amendment Regarding Assistance to Owners of Mobile Homes, Modifying the Road Home Homeowner Assistance Program, as Published in the most recent version titled, "Substantial Changes and Clarifications to Action Plan Amendment No. 1 for FY 2006"

This action plan amendment proposes to amend the last published version of the Road Home Homeowner Assistance Program regarding eligibility of owners of mobile homes. This amendment defines that all owners of mobile homes who otherwise meet the definitions of eligibility under the program may be eligible for assistance under the Road Home Homeowner Assistance Program.

Amendment Regarding Assistance to Small Rental Properties

This action plan amendment is being made to provide additional flexibility for assistance to small rental properties. The action plan amendment:

- expands eligible activities
- facilitates applications for rehabilitation of scattered site properties owned by single entity
- proposes increases in the maximum award amount per unit
- provides flexibility for the period of affordability restrictions and occupancy agreements

Copies of the proposed plan Amendment 4 will be available for distribution and may be requested in writing or by telephone (225) 342-7412 from the OCD/DOA. This action plan amendment will also be made available today on the internet at www.LouisianaRebuilds.info

Written comments on the Proposed Action Plan amendment may be submitted beginning today and must be received no later than 5:00 PM (CST) on September 11th, 2006. The Proposed Plan Amendment will be posted in Vietnamese and Spanish translations at the same website. Comments may be mailed to Office of Community Development, Post Office Box 94095, Baton Rouge, Louisiana 70804-9095 or sent via facsimile at (225) 342-1947. Comments may also be submitted online at www.LouisianaRebuilds.info website.

Vietnamese:

Muốn biết thêm chi tiết về Kế Hoạch Hành Động, xin gọi số (225) 342-7412 hoặc viết về địa chỉ điện thư paul.catrou@la.gov.

Spanish:

Para más información sobre el plan de acción, llamar al (225) 342-7412 o email paul.catrou@la.gov.